GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

MINES & MINERALS – M/s AP Mineral Development Corporation Limited – Appointment of M/s. MSTC Ltd., (A Govt. of India Enterprises) as a service provider for carrying out the e-tender and e-reverse auction for selection of MDOs (Mine Developer cum Operator) for Suliyari and Madanpur South Coal Mines – Approval of tender documents – Invitation of e-tender cum e-reverse auction – Orders – Issued.

INDUSTRIES AND COMMERCE (MINES-II) DEPARTMENT

G.O.RT.No. 63 Dated: 14-03-2018
Read the following:

1) G.O.Rt.No: 201, Ind. & Com. (M-II) Dept., dated 30.06.2017.
2) From the APMDC Ltd., File No.APMDC/COAL/MDO/2017-18, dt 16.02.2018, received on 19.02.2018.
3) Notes of the VC & MD, M/s. APMDC Ltd., in the e-office file bearing C.No. 1259/M.II(1)/2018, Dt. 08.03.2018

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O R D E R:-

In the references 2nd and 3rd read above, the Vice Chairman & Managing Director, M/s AP Mineral Development Corporation Limited has submitted the following with regard to Coal mines (i) Suliyari Coal Mine and (ii) Madanpur South Coal Mine allotted to them by the Government of India, for selection of MDOs (Mine Developer cum Operator):-

(1) The Ministry of Coal, Government of India allotted Suliyari Coal Mine and Madanpur South Coal Mine to Ms/. AP Mineral Development Corporation Ltd., under the provisions of the Coal Mines (Special Provisions) Act 2015.

(2) The Corporation placed work orders on M/s. Singareni Collieries Company Limited (SCCL), Kothagudem and on M/s. MECON Limited, Ranchi, for preparation and submission of Detailed Project Reports (DPR) for Suliyari and Madanpur South Coal Mines respectively which was later ratified by the Board.

(3) The Board has appointed KPMG as transaction advisors who were selected through tender process and the Corporation submitted the Detailed Project Reports of both coal mines to KPMG for preparation of MDO (Mine Developer cum Operator) tender documents.

(4) As per the Board resolution passed in 384th APMDC Board meeting held on 18th November 2016, the Corporation appointed KPMG as advisers for Preparation of MDO tender documents and for selection of MDOs through e-tender cum e-reverse auction for Suliyari and Madanpur South Coal Mines.

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(5) The Govt. of AP, vide G.O.Rt.No: 201, Ind. & Com. (M-II) Dept., dated 30.06.2017 constituted a High Level Committee for reviewing the MDO tender documents and DPRs of Suliyari and Madanpur South Coal Mines.

(6) The Corporation constituted an internal committee consisting of ED, GM (Coal), CS, DGM(F&A) and Manager (Legal) to scrutinize the MDO documents in respect of Suliyari and Madanpur south Coal mine on 21.08.2017 and asked the committee to submit the report within fifteen days.

(7) Accordingly, the committee requested KPMG to present the MDO document prepared before the internal committee. The KPMG has presented the document and the committee noticed certain modifications required in the documents. Accordingly, the committee submitted a report to the VC&MD on 04.09.2017. The VC&MD endorsed that the modifications suggested by the committee to be incorporated by KPMG before submission of the report to the High level Committee. M/s KPMG has incorporated the modifications suggested by the committee.

(8) A meeting was convened on 19.09.2017 with High Level Committee members at A.P. Secretariat. The members of High Level Committee unanimously approved the required documents in the said meeting.

(9) As suggested by KPMG, the Corporation appointed M/s. MSTC Ltd., (A Govt of India Enterprise) for carrying out e-tender and e-reverse auction for selection of MDOs for both coal mines for an amount of Rs. 10 Lakhs for each project. The Corporation entered into an agreement on 21.08.2017 with M/s. MSTC Limited (A Government of India Enterprise) for floating e-tenders and for providing e-bidding services to the Corporation**.**

(10) The matter was placed before the APMDC Board in its 391st Meeting held on 31.01.2018 for considering the following and the same were ratified and approved by the Board:-

a) to ratify the action taken by the VC&MD to request Government of A.P to form a High Level committee for the purpose of scrutinizing the Detailed Project Reports (DPRs) prepared and submitted by M/S SCCL and M/S MECON Ltd and the Tender documents prepared by KPMG in respect of Suliyari and Madanpur South Coal mines respectively.

b) to ratify the action taken by the VC&MD to appoint M/S MSTC Ltd (A Govt. of India Enterprises) as a service provider for carrying out the e-tender and e-reverse auction for selection of MDOs for both Suliyari and Madanpur South Coal Mines at a consideration of Rs. 10 Lakhs per project.

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c) to approve the tender documents, as recommended by the High Level Committee, for the selection of MDOs for Suliyari and Madanpur South Coal Mines.

d) to authorize VC&MD to invite e-tender cum e-reverse auction and take all necessary actions for the selection of MDOs for Suliyari and Madanpur South Coal Mines.

2. As approved by the board, the Vice Chairman & Managing Director, M/s AP Mineral Development Corporation Limited has requested the Government to accord approval on the following:-

(i) Appointment of M/s. MSTC Ltd., (A Govt. of India Enterprises) as a service provider for carrying out the e-tender and e-reverse auction for selection of MDOs (Mine Developer cum Operator) for both Suliyari and Madanpur South Coal Mines at a consideration of Rs. 10 Lakhs per project.

(ii) To approve the tender documents, as recommended by the High Level Committee and the Board for the selection of MDOs for Suliyari and Madanpur South Coal Mines.

(iii) To approve and invite e-tender cum e-reverse auction and take all necessary actions for the selection of MDOs for Suliyari and Madanpur South Coal Mines.

3. After careful examination of the matter and justification given by the Vice Chairman & Managing Director, M/s. AP Mineral Development Corporation in the reference 3rd read above, Government, hereby approve the tender documents as recommended by the High Level Committee and the Board for the selection of MDOs for Suliyari and Madanpur South Coal Mines and also hereby accord approval to the Vice Chairman & Managing Director, M/s. AP Mineral Development Corporation to take necessary action on the following:-

(i) to appoint M/s. MSTC Ltd., (A Govt. of India Enterprises) as a service provider for carrying out the e-tender and e-reverse auction for selection of MDOs (Mine Developer cum Operator) for both Suliyari and Madanpur South Coal Mines at a consideration of Rs. 10 Lakhs per project.

(ii) to invite e-tender cum e-reverse auction and take all necessary actions for the selection of MDOs (Mine Developer cum Operator) for Suliyari and Madanpur South Coal Mines.

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4. The Vice Chairman & Managing Director, M/s. AP Mineral Development Corporation Ltd., shall take necessary action accordingly and to ensure that atleast 5 companies are participated seriously and qualify for the final stage, with the conditions fixed by the department. If that is not achieved, to recall the tender, relaxing the conditions to facilitate larger participation by modifying the clause 2(a) of the MDO document as "At least 30 Million BCM of aggregated volume of overburden and/ or coal/ lignite from a maximum of seven open cast mines of Coal / Lignite, in any year, and Clause 2(b) as " At least 15 Million BCM of composite volume of overburden and coal/lignite from single open cast mine in any year, out of which at least 2.70 million tonnes shall be coal / lignite".

5. The above orders issues with the concurrence of the Finance Department vide their U.O. No. 45027/66/2018-SO(FMU(REV,I)), Dt: 26.02.2018.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

B. SREEDHAR
SECRETARY TO GOVERNMENT (MINES)

To
The VC & MD, M/s A.P. Mineral Development Corporation Ltd.,
Kanur, Vijayawada.

Copy to:

The DMG, AP, Ibrahimpatnam, Vijayawada.
The Finance (FMU-Rev-I & C) Department, AP Secretariat.
The Ministry of Mines, Govt. of India, New Delhi.
The Ministry of Coal, Govt. of India, New Delhi.
The PS to Secretary to Govt. (Mines)
The PS to Hon'ble Minister (M&G)
SF/Sc (C.No.1259/M.II(1)/2018)

//FORWARDED :: BY ORDER//

SECTION OFFICER